

LAW OFFICES  
**GENDEL, RASKOFF, SHAPIRO & QUITTNER**

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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March 15, 1983

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ALSO MEMBER OF HAWAII BAR

No.

MAR 22 1983

Date

Fee

\$50.00

13989

ICC Washington, DEEDICATION NO. .... Filed 1425

Honorable Agatha L. Mergenovich  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

MAR 22 1983 - 9 15 AM

INTERSTATE COMMERCE COMMISSION

FILED  
MAR 22 9 01 AM '83  
FEE OPERATION BR.

Dear Ms. Mergenovich:

I have enclosed an original and two counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Lease Agreement, a primary document, dated as of January 1, 1983.

The names and addresses of the parties to the document are as follows:

Lessor/Owner: McDonnell Douglas Finance Corporation  
100 Oceangate Boulevard  
Suite 900  
Long Beach, California 90802

Lessee: Lamoille Valley Railroad Company  
Stafford Avenue  
Morrisville, Vermont 05661

Please cross-index this document under the name of McDonnell Douglas Finance Corporation (Lessor book) and Lamoille Valley Railroad Company (Lessee book)

*Copy - Mary Ann Oster*

GENDEL, RASKOFF, SHAPIRO & QUITTNER  
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

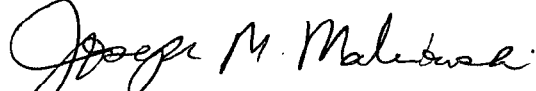
Honorable Agatha L. Mergenovich  
March 15, 1983  
Page Two

The equipment covered by the document is described as follows:

50 XM 50' 6" inside length  
70 ton Boxcars, LVRC 4000-4049,  
inclusive

Our check for \$50.00, payable to the ICC, is enclosed. Please return the original and any extra copies not needed by the Commission for recordation, with the recordation information stamped thereon, to Joseph M. Malinowski, Esq., Gendel, Raskoff, Shapiro & Quittnr, 1801 Century Park East, 6th Floor, Los Angeles, California 90067.

Very truly yours,

  
Joseph M. Malinowski

JMM:kc  
Enclosure

**Interstate Commerce Commission**  
Washington, D.C. 20423

3/22/83

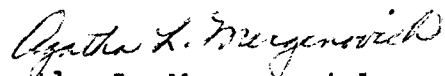
**OFFICE OF THE SECRETARY**

Joseph M. Malinowski, Esq.  
Gendel, Raskoff, Shapiro & Quittner  
1801 Century Park East  
Los Angeles, Calif. 90067

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/22/83 at 9:15am , and assigned re-recording number(s). 13989

Sincerely yours,

  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

LEASE AGREEMENTE  
RECORDATION NO. 13989  
MAR 22 1983

MAR 22 1983 - 9 15 AM

This Lease, entered into and made as of the INTERSTATE COMMERCE COMMISSION January, 1983 between McDonnell Douglas Finance Corporation, of Long Beach, Los Angeles County, California (hereinafter "Owner") and Lamoille Valley Railroad Company, of Morrisville, Lamoille County, Vermont, a Vermont corporation, (hereinafter "Lessee"), as Lessee, WITNESSETH:

1. Scope of Agreement

A. Owner leases to Lessee, and Lessee takes from Owner, fifty (50) XM Boxcars of AAR Car Type Code B208 presently bearing reporting marks LVRC 4000-4049, inclusive, as more particularly described on Exhibit "A" attached hereto, hereinafter called collectively the "Boxcars".

B. It is the intent of the parties of this Agreement that Owner shall at all times be and remain the Lessor of the Boxcars. Lessee will at no time take any action or file any document which is inconsistent with the foregoing intent and will take such action and execute such documents as may be necessary to accomplish this intent.

2. Term of Agreement. This agreement shall remain in full force and effect until it shall have been terminated as to all of the Boxcars. The term of this lease agreement with respect to each individual Boxcar shall be for twelve (12) years commencing the first day of January, 1983. If this agreement has not been sooner terminated and no default has occurred and is a continuing default, the leased term with respect to each Boxcar

shall automatically be extended for not more than five (5) consecutive periods of twelve (12) consecutive months provided, however, that Owner or Lessee may by written notice delivered by one party to the other party not less than ninety (90) days prior to the end of the initial term, or any extended term thereof terminate this agreement as to any Boxcar.

3. Delivery and Supply. The Boxcars are leased by Owner to Lessee as is where is. To insure optimal use of the Boxcars during the term of this agreement, Lessee shall monitor Boxcar movements and, when deemed necessary by Lessee and Owner, issue movement orders with respect to such Boxcars to other railroad lines in accordance with ICC and AAR interchange agreements and rules and car service rules.

4. Right of First Refusal. A. So long as Lessee shall have on lease one or more of the Boxcars, Lessee shall not lease Boxcars from any other party unless it shall have given to Owner at least thirty (30) days prior written notice of its desire to so lease additional Boxcars. Owner shall then, within fifteen (15) days of receipt of such notice, have the right to lease such additional Boxcars to Lessee upon the same or better terms and conditions than that offered to Lessee by such other party. The foregoing, however, shall not prohibit Lessee from leasing Boxcars of similar type to the Boxcars leased hereunder if Owner does not offer to lease the same upon the same terms and conditions within fifteen (15) days of receiving written notice as provided for above.

B. Lessee warrants herein that it now has only the 50 XM Boxcars which are leased hereunder, and no other XM Boxcars are owned or leased by it as of the date of the execution hereof. Notwithstanding the purchase of Boxcars by Lessee, or Lessee's leasing or interchange of Boxcars from or with other parties, Lessee shall give first preference to Owner's Boxcars and shall load the Boxcars leased hereunder from Owner prior to loading other Boxcars provided, however, that in no event shall Lessee be prevented or prohibited from fulfilling its obligations to provide adequate and efficient transportation and facilities upon reasonable request therefor to shippers on its railroad tracks.

5. Railroad Markings and Record Keeping. The Boxcars are now and shall remain lettered with the railroad reporting marks of Lessee, and with the name and insignia used by Lessee. Such name and markings shall comply with all applicable regulations and shall be affixed to the Boxcars in the space directly above Lessee's reporting marks, and with a width of not more than seven (7) feet.

6. Record Keeping. Lessee shall, during the term of this agreement, prepare all documents for its signature and filing relating to the registration, maintenance and record keeping functions normally performed by an owning railroad with respect to Boxcars. Such matters shall include but are not limited to the preparation of the following documents:

- (i) Appropriate AAR interchange agreements with respect to the Boxcars including an application for relief from AAR Code of Car Service Rules - Freight rules 1 & 2 when required by paragraph 16 hereof below;

- (ii) Registration for each Boxcar in the Official Railway Equipment Register and the Universal Machine Language Equipment Register;
- (iii) Such reports as may be required from time to time by the Interstate Commerce Commission and other regulatory agencies with respect to the Boxcars.

All registrations and filing shall be paid for by Owner at no cost to Lessee. Lessee shall perform all record keeping functions related to the use of the Boxcars by Lessee and other railroads in accordance with AAR interchange agreements and rules, including but not limited to car hire reconciliation. Correspondence from railroads using the Boxcars shall be addressed to Lessee at Lessee's principal office, that is, Lamoille Valley Railroad Company, Stafford Avenue, Morrisville, Vermont 05661. Copies of all such correspondence shall be promptly forwarded by Lessee to Owner. All record keeping performed by Lessee hereunder and all record of payments, charges and correspondence related to the Boxcars shall be recorded and maintained by Lessee in a form suitable for reasonable inspection by Owner from time to time during Lessee's business hours. Lessee shall supply Owner with such reports regarding the use of Boxcars by Lessee on Lessee's railroad line as Owner may reasonably request.

7. Maintenance, Taxes and Insurance.

A. Owner will pay all costs, expenses, fees and charges incurred in connection with the use and operation of each Boxcar during its leased term and any extension thereof, including but not limited to repairs, maintenance and servicing unless the same was occasioned by the fault of Lessee while a

Boxcar was in Lessee's physical possession. All such costs, expenses, fees and charges shall be payable by Owner to Lessee prior to the tenth day of each month following the month in which detailed invoices therefor are received by Owner. Lessee shall inspect all Boxcars tendered to it in interchange prior to acceptance of them to insure that such Boxcars are in good working order and condition and Lessee shall at its expense correct any handling road defects not noted at interchange requiring correction or repair on Lessee's railroad line. Lessee hereby transfers and assigns to Owner for and during the leased term of each Boxcar all of Lessee's right, title and interest in any warranty in respect to the Boxcars. All claims or actions on any warranty so assigned shall be made and prosecuted by Owner at its sole expense and Lessee shall have no obligation to make any claim on such warranty. Any recovery under such warranty shall be made payable to Owner, and Lessee hereby assigns any such recovery to Owner. All proceeds from such recovery shall be used to repair or replace such Boxcars on account of which such recoveries are made.

B. Lessee may make running repairs to facilitate continued immediate use of a Boxcar, but shall not otherwise make any repairs, alterations, improvements or additions to the Boxcars without receiving prior written consent from Owner. If Lessee makes an alteration to any Boxcar without the prior written consent of Owner, Lessee shall be liable to Owner for any revenues lost due to such alteration. Title to any such alteration, improvement or addition occurring in the course of or as a result of normal and customary maintenance shall be in and remain with Owner.

C. Lessee shall make or cause to be made such inspections as may be required from time to time and advise Owner of any maintenance, including preventive maintenance, and repairs that may be needed by the Boxcars. Upon request of Owner, Lessee shall perform at Owner's expense any necessary maintenance and repairs to Boxcars on Lessee's railroad track as may be reasonably requested by Owner. Upon Lessee's advice Owner shall also make, at its expense, all alterations, modifications or replacement of parts, as shall be necessary to maintain the Boxcars in good operating condition suitable for interchange service throughout the term of the lease of such Boxcars.

D. (i) Lessee will at all times while this agreement is in effect be responsible for the Boxcars while they are on Lessee's railroad tracks in the same manner that Lessee is responsible under Rule 7 of the AAR Code of Car Hire Rules and Interpretations - Freight for cars not owned by Lessee which are operating on Lessee's railroad tracks. Lessee shall protect against the consequences of an event of loss involving the Boxcars by obtaining insurance in form and substance as Owner may reasonably require of Lessee. Lessee shall furnish Owner concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months with a certificate of insurance signed by an independent insurance broker with respect to the insurance carried on the Boxcars. All such insurance shall name Lessee and Owner as insureds as their respective interests may appear. Lessee shall be liable to Owner

for the settlement value (determined pursuant to Rule 7 of the AAR Code of Car Hire Rules and Interpretations - Freight and the then applicable provisions of Rule 107 - Damaged and/or destroyed cars handling line responsibility of the field manual of the AAR Interchange Rules) for any Boxcar destroyed while in Lessee's possession, and shall promptly pay the same to Owner.

(ii) In the event of damage to or destruction of a Boxcar not on Lessee's line of railroad is reported to Lessee or Owner in accordance with Rule 7 of the AAR Code of Car Hire Rules and Interpretations - Freight Lessee shall inform Owner thereof and take such action as may be necessary (keeping Owner fully and currently informed) to collect all payments payable in respect of such damage or destruction and promptly upon receipt thereof remit such payments to Owner.

E. Owner shall reimburse Lessee for all taxes, assessments, and other governmental charges of whatsoever kind or character paid by Lessee relating to each Boxcar and on the lease, delivery or operation thereof which may be accrued, levied, assessed or imposed during the lease term or which remain unpaid as of the date of delivery of such Boxcar to Lessee, or to Owner upon termination of this lease as to any one, some or all of the Boxcars, except taxes on net income imposed on Lessee and sales or use taxes imposed on mileage charges and/or hourly car hire revenue earned by Lessee on account of the Boxcars pursuant to Section 8. hereof. Lessee, and, upon Lessee's request, Owner

will comply with the all state and local laws requiring the filing of ad valorem tax returns on the Boxcars. Owner and Lessee shall each review all tax returns prior to filing.

F. Any charges for maintenance on or repairs to the Boxcars performed by Lessee for which Owner is liable under this Lease shall be billed to and paid by Owner pursuant to the then current AAR Interchange Rules Job Cost Codes.

8. Rental Charges.

A. As and for rent, Lessee shall collect and remit to Owner 100% of the mileage charges and 80% of all of the hourly car hire and incentive revenues received (and not reclaimable and reclaimed) by Lessee on account of the use of the Boxcars by other railroads.

B. Rental charges payable to Owner by Lessee hereunder shall be paid from the moneys received by Lessee in the following order until Owner receives the amount due it pursuant to the immediately preceding paragraph;

- (1) Incentive revenues, and
- (2) Hourly car hire revenues, and
- (3) Line haul mileage charges.

C. All rent due hereunder shall be paid by Lessee to Owner prior to the tenth day of each month following which mileage charges, hourly car hire revenues or incentive revenues were received by Lessee on account of the use of the Boxcars by other railroads. Such remittance shall be accompanied by an

accounting containing such detail as Owner may reasonably request, including the hours and mileage accumulated by the Boxcars for the period covered.

D. If, in any three month period commencing on the first day of January, April, July or October in any year, the hourly car hire revenues earned by the Boxcars is less than 80% of the maximum hourly car hire revenues possible during such calendar quarter (using 24 hour days multiplied by the number of days in such quarter, but excluding all hours during which car hire is not payable or is reclaimable from Lessee under Rules 4, 7, 8, 14 and 22 of the AAR Code of Car Hire Rules and Interpretations - Freight), Owner may at its option, and upon not less than thirty (30) days prior written notice thereof to Lessee, terminate this lease as to any number or all of the Boxcars.

E. If any Boxcar remains on Lessee's railroad tracks for more than seven (7) consecutive days Owner may, at its option and upon not less than twenty-four (24) hours prior written notice, terminate this agreement as to such Boxcar and withdraw such Boxcar from Lessee's railroad tracks, and in such event all relevant portions of this agreement shall be adjusted to reflect the changed number of Boxcars leased hereunder. If any such Boxcar has remained on Lessee's railroad tracks more than seven (7) days because Lessee has not given preference to the Boxcars as specified by Paragraph 4.B. above, Lessee shall, in addition, pay to Owner an amount equal to the hourly car hire

revenues and incentive revenues Owner would have earned on account of such Boxcar or Boxcars as if such Boxcar or Boxcars were in the physical possession of another railroad for the entire period after the expiration of such seven (7) days. This section 8.E. shall not apply, however, if a Boxcar remains on Lessee's railroad tracks for more than seven (7) days because it was awaiting repairs in Lessee's repair facility and such repairs, because of circumstances not under Lessee's control, could not be completed within such seven (7) day period.

9. Possession and Use.

A. So long as Lessee shall not be in default under this agreement, Lessee shall be entitled to the possession, use and quiet enjoyment of the Boxcars in accordance with the terms hereof and in a manner and to the extent Boxcars are customarily used in the railroad freight business. Whenever Lessee has physical possession, or can control the use, of the Boxcars, the Boxcars will at all times be used and operated under and in compliance with the laws of the jurisdiction in which the same may be located, and in compliance with all lawful acts, rules and regulations and orders of any governmental bodies or officers having the power to regulate or supervise the use of such property, except that either Owner or Lessee may, in good faith and by appropriate proceedings, contest the application of any such rule, regulation, order or law in any reasonable manner and at the expense of the contesting party.

B. Lessee will use the boxcars in compliance with the customs laws of the United States of America and of Canada. Pursuant thereto the boxcars may be loaded in one of the four following ways:

- i. From a point in the United States to a point in the United States moving over rail entirely within the United States;
- ii. From a point in the United States to a point in the United States moving over rail within Mexico or Canada;
- iii. From a point in the United States to a point in Mexico or Canada; and
- iv. From a point in Mexico or Canada to a point in the United States.

In no event shall Lessee permit a boxcar be loaded from a point in Mexico to a point in Mexico, or from a point in Canada to a point in Canada. In the event of any change in any tax law, rule or regulation, or any judicial or administrative interpretation thereof, Lessor shall have the right to direct that none of the boxcars be used outside of the United States of America, and upon receipt of notice of such direction from Lessor, Lessee shall comply with such direction and, at its option may, in such event, terminate this lease in which event paragraph 12. of this lease shall apply and neither Lessee nor Lessor shall have any claim, one against the other, on account thereof.

10. Encumbrances. Lessee will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other security interest in or claim on or with respect to the Boxcars or any interest therein, or in this agreement or any schedule thereto. Lessee will promptly, at its own expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance, security interest or claim if the same shall arise at any time.

11. Remedies upon Default.

A. The occurrence of any of the following events shall be an event of default:

(1) The non-payment by Lessee of any sum required hereunder to be paid by Lessee within ten (10) business days of the date upon which such payment is due;

(2) The default by Lessee under other terms, covenants, or conditions of this agreement which is not cured within ten (10) business days after receipt of written notice thereof by Lessee from Owner;

(3) Any affirmative act of insolvency by Lessee, or the filing by Lessee of any petition or action under any bankruptcy, organization, insolvency or moratorium law, or any other law or laws or the relief of debtors;

(4) Filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law

against Lessee that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee for the benefit of creditors to take possession of the properties of Lessee unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of said filing or appointment.

(5) The subjection of any of Lessee's property to any levy, seizure, assignment, application or sale for or by any creditors or governmental agency.

(6) The non-payment by Owner, of any sum required hereunder to be paid by Owner to Lessee within ten (10) business days of receipt of written notice thereof by Owner.

B. Upon the occurrence of any event of default by Lessee Owner may, at its option, terminate this agreement and may further

(1) Proceed by appropriate court action to enforce performance by Lessee of this agreement, or to recover damages for a breach thereof (and Lessee shall bear Owner costs and expenses, including reasonable attorney's fees, in securing such enforcement), or

(2) By notice in writing to Lessee, terminate Lessee's right of possession of the Boxcars, whereupon all right and interest of Lessee in the Boxcar shall terminate, and thereupon Owner may by its agents enter upon any premises where

the Boxcars may be located and take possession of the same and thereafter hold, possess, and enjoy the same free from any right of Lessee; Owner shall, nevertheless have the right to recover from Lessee any and all rental amounts which under the terms of this agreement may be due or which may have accrued to that date.

C. Upon the occurrence of any event of default by Owner, Lessee may, at its option, proceed by appropriate court action to enforce performance by Owner of this agreement or to recover damages for a breach thereof (and Owner shall bear Lessee's costs and expenses, including reasonable attorney's fees, in such proceedings).

12. Termination. At the expiration or termination of this agreement as to any or all of the Boxcars, Lessee will surrender possession of such Boxcar or Boxcars and deliver the same to Owner. The costs of assembling, delivery, storage, remarking and transporting of the Boxcars shall be borne by Owner. Upon such termination, Lessee's railroad markings shall be removed from each Boxcar so terminated. If such Boxcars are on Lessee's railroad line at the time of such termination, or are subsequently returned thereto in the ordinary course of railroad freight loadings and interchanges, Lessee shall within five (5) business days of the commencement of its possession of such Boxcars after such termination remove its railroad markings from the Boxcars and place thereon such markings as may be designated by Owner. After such removal and replacement of markings, Lessee

shall use its best efforts to load such Boxcars with freight and deliver the same to a connecting carrier for shipment. Lessee shall provide up to ten (10) days free storage on its railroad tracks for Owner or the subsequent lessee of any terminated boxcar. If such Boxcars are not on Lessee's railroad line upon termination, all costs, including the costs of removal of Lessee's railroad markings and the replacement thereof, shall be borne by Owner. Unless otherwise agreed upon, all costs shall be billed to and paid by Owner pursuant to AAR Interchange Rules Job Cost Codes.

13. Indemnities. Owner will provide basic liability insurance coverage of \$10,000,000.00 to insure Lessee against any claim, cause of action, damage, liability, costs or expenses (including legal fees and costs) arising from the Boxcars for which Lessee may be liable, other than under the provisions of this Agreement, incurred in any manner by or for the account of any such Boxcar, relating to the Boxcars or any part thereof, including without limitation the construction, purchase, delivery of the Boxcars to Lessee's railroad line, ownership, leasing or return of the Boxcars, or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects, if any, are latent or are discoverable by Owner or Lessee). Notwithstanding anything herein to the contrary, it is clearly understood and agreed that Owner's liability herein is limited to the extent of the insurance coverage provided.

14. Warranties and Covenants. Lessee represents, warrants and covenants that:

a. Lessee is a corporation duly organized, validly existing and in good standing under the laws of the State of Vermont and has the corporate power, authority and is duly qualified and authorized to do business wherever necessary, to carry out its present business and operations and to own or hold under lease its properties and to perform its obligations under this agreement;

b. The entering into and performance of this agreement will not violate any judgment, order, law or regulation applicable to Lessee, or result in any breach thereof, or constitute a default thereunder, or result in the creation of any lien, charge security interest or other encumbrance upon any assets of Lessee or on the Boxcars pursuant to any instrument to which Lessee is a party or by which it or its assets may be bound;

c. There is no action or proceeding pending or threatened against Lessee before any court or administrative agency or other governmental body which might result in any material adverse effect on the business, properties and assets, or condition, financial or otherwise, of Lessee;

d. There is no fact which Lessee has not disclosed to Owner in writing and Lessee is not a party to any agreement or instrument or subject to any charter or other corporate restriction which, so far as Lessee can now foresee, will individually or in

the aggregate materially adversely affect the business, condition or any material portion of the properties of Lessee or the ability of Lessee to perform its obligations under this agreement;

e. During the years 1964-1968, Lessee neither leased nor purchased any Boxcars. Lessee has no knowledge of any circumstance or fact that would prevent or limit the application of incentive per diem charges to the use of the Boxcars by railroads other than Lessee if incentive per diem charges are imposed on such use.

15. Inspection. Owner shall at any time during normal business hours have the right to enter the premises where the Boxcars may be located for the purpose of inspecting and examining the Boxcars to insure Lessee's compliance with its obligations hereunder. Lessee shall furnish to Owner a copy of Lessee's annual report immediately after the acceptance thereof by Lessee's Board of Directors, and shall further furnish Owner a copy of annual reports that may be required by the Interstate Commerce Commission. Lessee shall immediately notify Owner of any accident connected with the malfunctioning or operation of the Boxcars including in such report the time, place and nature of the accident and the damage caused to property, the names and addresses of any persons injured and of witnesses and other information pertinent to Lessee's investigation of the accident. Lessee shall also notify Owner in writing within five (5) days after any attachment, tax lien, or other judicial process shall attach to any Boxcar.

16. AAR Car Service Rules. Lessee may, at its option, at any time during the term of this agreement apply for an AAR Transportation Division order or directive for relief from the American Association of Railroads Code of Car Service Rules - Freight Rules Numbers 1 & 2. In addition, if the condition specified in Paragraph 8.D. hereof occurs Lessee shall, at the request of Owner, apply for such relief. In either event, Lessee shall prepare all documents for its signature and filing relating to such application for relief.

17. Binding Effect. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Lessee may not, without the prior written consent of Owner, assign this lease or any of the rights hereunder or sublease the Boxcars to any party, and any purported assignment or sublease and violation hereof shall be void. In addition to this lease, each party shall execute other documents contemplated by this transaction or as may be required in furtherance of this lease. It is expressly understood and agreed by the parties hereto that this lease constitutes a lease of Boxcars only, and no joint venture or partnership is being created hereby. Notwithstanding the calculation of rental payments, nothing herein shall be construed to convey to Lessee any right, title or interest in the Boxcars except as a Lessee only. No failure or delay by either party shall constitute a waiver or otherwise effect or impair any right, power or remedy available to it nor shall any waiver or

indulgence by either party or any partial or single exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. This agreement shall be governed by and construed in accord with the laws of the State of Vermont in effect at the time of the execution hereof. All notices hereunder shall be in writing and shall be deemed given when delivered personally or when deposited in the United States mail, postage prepaid, certified or registered, addressed to the principal address of the other party.

IN WITNESS WHEREOF, the parties hereto have caused this lease of railroad equipment to be executed as of this first day of January, 1983.

MCDONNELL DOUGLAS  
FINANCE CORPORATION

By: \_\_\_\_\_

*D. V. Black*  
~~Duly Authorized Agent~~  
*Vice Pres.*

LAMOILLE VALLEY  
RAILROAD COMPANY

By: \_\_\_\_\_

*Robert A. Gensburg*  
Robert A. Gensburg, President  
and Duly Authorized Agent

State of California  
County of Los Angeles } ss.



On this the 28th day of February, 1983, before me,

Joanne B. Smith,

the undersigned Notary Public, personally appeared

D. V. Black,

☒ personally known to me

☐ proved to me on the basis of satisfactory evidence

to be the person(s) who executed the within instrument as

Vice President or on behalf of the corporation therein

named, and acknowledged to me that the corporation executed it.

WITNESS my hand and official seal.

Joanne B. Smith  
Notary's Signature

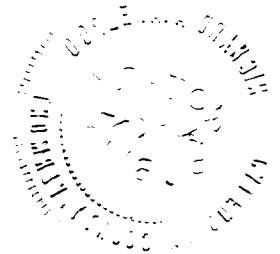
STATE OF VERMONT

CALEDONIA COUNTY, ss.

At St. Johnsbury in said County and State this 18th day of February, 1983 personally appeared Robert A. Gensburg, President and duly authorized agent for Lamoille Valley Railroad Company and acknowledged that the foregoing Lease Agreement by him subscribed was his free act and deed and the free act and deed of Lamoille Valley Railroad Company.

Before me, Richard A. Apple  
Notary Public

My commission expires: February 10, 1987



## EXHIBIT A

## EQUIPMENT SCHEDULE

<u>AAR Mechanical Designation</u>	<u>Description</u>	<u>Reporting Marks and Numbers</u>	<u>Inside Length</u>	<u>Inside Width</u>	<u>Inside Height</u>	<u>Doors Width</u>	<u>Number of Cars</u>
XM	New 50' 6" Inside Length 70 Ton Boxcars with End of Car Cushioning	LVRC 4000- 4049	50'6"	9'6"	11'1"	10' Sliding Doors	50